

# **FISCAL NOTE**

## **SB 970 - HB 1848**

January 16, 2004

**SUMMARY OF BILL:** Requires BEP funds to be distributed on the basis of the lowest teacher-pupil student ratio in any Tennessee system.

### **ESTIMATED FISCAL IMPACT:**

**Increase State Expenditures - Exceeds \$477,000,000**

**Increase Local Govt. Expenditures\* - Exceeds \$159,000,000**

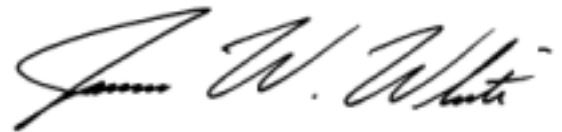
Assumes that if any school system in Tennessee maintains a teacher-pupil ratio that is lower than the state mandatory teacher-pupil ratio, BEP funds would be distributed on the basis of the lower teacher-pupil ratio. For example, if the state teacher-pupil ratio is 1:25 and one Tennessee system has a teacher-pupil ratio of 1:20 for the same grade, then the BEP would distribute funds based on 1:20 to all systems.

For informational purposes, teacher-pupil ratios from across the state were gathered by the Department of Education and Grundy County was determined to have the lowest overall teacher-pupil ratios. The BEP formula was generated using actual data from FY2004, then regenerated with the teacher-pupil ratios from Grundy County as required by this bill.

*\*Article II, Section 24 of the Tennessee Constitution provides that: No law of general application shall impose increased expenditure requirements on cities or counties unless the General Assembly shall provide that the state share in the cost.*

### **CERTIFICATION:**

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "James W. White".

James W. White, Executive Director